

# Survival of Small-Scale Businesses during Covid-19 Pandemic; Challenges, Impact and Strategies in Anambra State

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## ABSTRACT

The study examined the Survival of small-scale businesses during covid -19 pandemic; challenges, impact and strategies in Anambra State. Relevant literature was reviewed. Descriptive research design was adopted. This study was carried out in Anambra, Nigeria. The population of study comprised 7061 register small-scale businesses in. Content Validity of instrument was adopted. The researcher used test-retest and Cronbach's alpha was used to verify the internal consistency of each construct in order to achieve reliability of instrument. Descriptive statistics such as mean and standard deviation was used to present quantitative data in form of tables. The study also employed Multiple Regression Analysis (MRA) method to evaluate the effect of COVID 19 pandemic and the survival of small-scale businesses in Anambra state, Nigeria. Challenges faced by small-scale businesses during the covid-19 pandemic has a positive significant effect on the survival of small-scale businesses in Anambra state. Lockdown on the revenue of small-scale businesses during Covid-19 pandemic has a negative significant effect on the survival of small-scale businesses in Anambra state. Strategies taken for the survival of small-scale businesses during Covid -19 pandemic has on positive significant effect on the survival of small-scale businesses in Anambra State. The study concluded that Covid -19 survival strategies has on positive significant effect on small-scale businesses in Anambra State. The study recommended that Anambra State government should drastically reduce the costs of governance and operation and provide strategies for accessing grants and loans from international community in order to enhance SMEs in the state. That the government should provide financial supports for the diversification of various aspects of small and medium enterprises (SMEs) such as: agriculture, manufacturing, beauty/cosmetics etc. in order to be responsive to the impact of COVID-19 in the country and government should provide technological equipment for effectiveness and efficiency of small and medium enterprises (SMEs) especially by promoting digital economy through delivery and payment system. More importantly, the focus should be on integration of the digitization into business operations in order to explore the emerging business opportunities in the country.

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**KEYWORDS:** Small Scale Business; Covid-19 Pandemic

## INTRODUCTION

The current economic situation has significantly reduced the average Nigerian's purchasing power, especially because the collapse of oil prices has led to inflation. The same amount of money now purchases fewer goods. This situation is worse when you consider the millions who lost their jobs or received pay cuts. As a result, people are focused on spending

on necessities and things perceived to give real value. COVID-19 is expected to have a severe effect on the survival of small-scale businesses in Nigeria. The crisis obliged slow down their production and this will negatively influence survival of small-scale businesses and its contribution to the GDP, which were 4.7% and 16.2% in 2018, respectively. Small-

scale businesses undeniably is critical to the growth and development of the global economy. The small-scale businesses subsector becomes a good source of job creation, aid in the development of local technology and source of development to indigenous entrepreneurs and enormously contributed to nation-building (Aderemi, Olu-Young, Taiwo, & Adejumo, 2019; Tehseen & Ramayah, 2015). The small-scale businesses sector contributed more than 90% of all economic activities and more than 50% of all employment opportunities globally and also, accounted for more than 40% of GDP in developing nations (Garba, 2020). Small-scale businesses subsector in Nigeria, as obtains in other parts of the globe, performs a key role in the economic development of the country. They accounted for 90% of all businesses in Nigeria (Gbandi & Amissah, 2014).

In Nigeria, the case of the pandemic was first discovered on 27th February 2020. The Nigerian Centre for Disease Control (NCDC) recorded 41,804 cases as of 28th July 2020, out of this number 18,704 were discharged and 868 deaths. The Small-scale businesses sector in Nigeria has been seen as a tool that propelled the economy because of its ability to promote productivity, employment as well as improving the welfare of the people (Abosede & Onakoya, 2013). In an attempt to halt the spread of the pandemic, the government take various measures ranging from the closure of borders, restrict the movement of people, goods, and services, as well as the closure of markets and worship places. Therefore, on 29th March 2020, the government declared a total lockdown in three states, thus; Lagos, Ogun, and the Federal Capital Territory, Abuja, preventing all activities that are not essential in all those states. Afterward, the remaining states were also lockdown as well as banned on interstate movement except for essential services. This is one of the major reasons why many studies on the effect of COVID-19 on small-scale businesses in Nigeria cannot be overlooked in the time of this global pandemic.

Having established the importance of businesses owned (small-scale businesses) in Nigeria or operating in Nigeria, a study of this nature is deemed fit because of the impact covid-19 prevention strategy among which is movement restriction, has on the smooth operation of these businesses. The study, however, is narrowed down to the dealers of imported goods in five major markets in the southeast (Onitsha Main Market, Nnewi motor spare parts Market, New Tyre international Market, Iweka Electronics Market, Onitsha and Building material market Awka) all situated in all part of Nigeria. The narrowing down of the study was occasioned by the fact that Southeast, is

the second domain of Small-scale businesses in Nigeria after Lagos and also, Anambra State is among the first states in Nigeria that placed restrictions on movement, closure of borders, partial closure and subsequent full closure of markets and ban on all sorts of gatherings to curtail the spread.

Before the spread of the virus, small-scale businesses contribute immensely to the economy of Nigeria—through the payment of taxes, market levies and contribution to employment generation and GDP growth. They (Igbo businesses owners) survive by travelling from one part of the country to another to make purchases of products and supply the same to different parts of the country (Nigeria) and beyond. However, as a result of the movement restriction placed by both the Federal and State government, they appear unable to carry out their business dealings smoothly. They are no longer able to travel out to make purchases of goods as results of the shutdown of international movements neither are they able to make local and international supplies. These could have immense implication for the country as a whole as their contribution to the nation's GDP could be negatively affected; the employment generation contribution of the Small-scale businesses owned by this people could be reduced and could potentially throw the nation into recession. It is against this background that, the researchers consider the study survival of small-scale businesses during covid -19 pandemic; challenges, impact and strategies in Anambra State

### **Statement of the Problem**

The global pandemic referred to as COVID-19 (Coronavirus) has caused a lot of damages to the world economy. To curtail the spread of the virus has brought about lockdown, a social distancing that results in the closure of markets, public offices, business organizations, places of worship, and events, the extent to which the virus spread and uncertainty about the situation have let consumers and investors run away for safer consumption and investment (Ozili & Arun, 2020). Also, the restriction on the movement of people, goods, and services in many countries causes great losses for businesses and industries which include; aviation, entertainment, hospitality, and sports. The aggregate loss globally was projected to be more than \$4 trillion (Ozili, 2020). The lockdown measure imposed has affected the purchasing rate of consumers; the percentage change fell from 59.2% to 41.1% from January 2020 to June 2020 which affects the productivity of the manufacturing sector and sales of small-scale businesses (Central Bank of Nigeria, 2020). Statistics also indicate there is an upward trend in unemployment in Nigeria from 23.1% to 33.5% in

2019 and 2020 respectively due to COVID-19 which put the population of unemployment around 39.5 million people (National Bureau of Statistics, 2020). Also, the poverty rate has increased during the lockdown period by 8.7% i.e. from 43.5% to 52.2% which indicates 17 million more people falling below the poverty line (Andam, Edeh, Oboh, Pauw, & Thurlow, 2020).

Therefore, as a result of this, some small-scale businesses cannot withstand the situation for more than one month due to cash flow problems (Farrell & Wheat, 2016). Furthermore, small-scale businesses face the risk of total closure aftermath of the pandemic, partially due to the inability to settle their accruals during the closure (Schrank, Marshall, Hall-Phillips, Wiatt, & Jones, 2013). Many small-scale businesses were forced to lay off some of their staff, whereas others had to reduce their number of working hours (Edgecliffe, 2020). The global pandemic has caused serious socioeconomic damages, the ban on sporting, religious, political, and cultural events, brought about widespread shortages of supplies. Effect of COVID-19 pandemic small-scale businesses business operations: -Economic Shock, -low production and sales, reduced investment, cash trap, cash flow difficulties, lack of supplies coping measures and strategies: -Palliatives, -Government policies and regulations. -NGO intervention -Reduced loan rate -Deferred tax payment Lock down: - Restrictions on movement, -Difficulty accessing inputs, -Difficulty in exporting and importing. Infectious diseases: -Sickness, -Diseases, -Illness, - Quarantine -Death (Turner & Akinremi, 2020). In South East, the decrease in consumption coupled with an interruption in production distorted the supply chains which affect many small-scale businesses in South East (Fernandes, 2020), particularly, Nigeria which depends mostly on China.

Environmental shock exposes small-scale businesses to a greater extent of strategic uncertainty, which has effects on the routine activities of small-scale businesses, in some cases threaten its survival (Sullivan-Taylor & Branicki, 2011). Many countries around the world are facing unprecedented challenges due to COVID-19 Pandemic (UNDP, 2020). Nigeria is not an exception. There is still a paucity of research on the effect of the COVID-19 pandemic on small-scale businesses performance in developing countries, especially concerning business continuity (Fabeil, Pazim, & Langgat, 2020). Since the small-scale businesses contribute to the job creation and economic growth of the country and the unavoidable threats and tremors of COVID-19 to all the segments of the economy, particularly, survival of small-scale businesses during Covid -19 pandemic. Therefore, the

study of this nature is necessary considering the contributions of this sector and the paucity of research in this area.

### **Objective of the Study**

The main objective of this study was to investigate the small business challenges during the Covid-19 Pandemic in Anambra State. While the specific objectives were to:

1. Ascertain the challenges faced by small business during the covid-19 pandemic in Anambra state.
2. Examine the impact of lockdown on the revenue of small-scale businesses during Covid -19 pandemic in Anambra state.
3. Determine the strategies taken by Anambra State for the survival of small-scale businesses during Covid -19 pandemic

### **Research Questions**

1. To what extent does the challenges faced by small business during the covid-19 pandemic affect the survival of small-scale businesses in Anambra State, Nigeria
2. To what degree does lockdown affect the survival of small-scale businesses during Covid -19 pandemic in Anambra state, Nigeria
3. To what extent does strategies taken by Anambra State affect the survival of small-scale businesses in Anambra State, Nigeria

### **Hypotheses**

**Ho<sub>1</sub>:** Challenges faced by small business during the covid-19 pandemic has on significant effect on the survival of small-scale businesses in Anambra state

**Ho<sub>2</sub>:** Lockdown on the revenue of small-scale businesses during Covid -19 pandemic has on significant effect on the survival of small-scale businesses in Anambra state.

**Ho<sub>3</sub>:** Strategies taken for the survival of small-scale businesses during Covid -19 pandemic has on significant effect on the survival of small-scale businesses in Anambra State, Nigeria

## **REVIEW OF RELATED LITERATURE**

### **Small-scale businesses**

Defining small-scale businesses is not an easy task. There are almost as many definitions of small-scale businesses as there are authors and books on the subject. To some, small-scale businesses means primarily innovation, to others it means risk-taking. To others a market stabilizing force and to others still it means starting, owning and managing a small business. Roth (2014) described small-scale businesses "as the capacity and willingness to develop, organize, and manage a business venture along with any of its risks to make a profit (Roth 2014). Small-scale businesses mean "what an

entrepreneur does". Thus, the art of innovating, initiative, risk taking and implementing is called small-scale businesses. Generally, survival of small-scale businesses is the key to poverty eradication, employment generation and rapid economic development (Diyoke 2014).

Small-scale businesses according to Solomon (2007) is the willingness and ability of an individual to seek for investment opportunities, to establish and to run an enterprise successfully. To Omolayo and Baba, (2013) it is the act of starting a company, arranging business ideas and taking risks in order to make profit through the education skills acquired. The small-scale businesses spirit is a pre-requisite to an entrepreneurial society and culture. This spirit is required for the overall economic growth of any nation especially developing ones like Nigeria. This is in line with the view of Nwangu, (2006); and Ojeofo, (2013) that small-scale businesses is the willingness and ability of an individual, a firm or an organization to identify an environmental change and exploit such an opportunity to produced goods and services for public consumption.

Paul (2005) opines that small-scale businesses is about taking a risk; it is the process of creating new venture that did not previously exist; it is the practice of starting a new organization, especially new business; it involves creation of new wealth through implementation of new concepts. In an extended view, Paul, (2005) added that what entrepreneurs have in common is not personality traits but a commitment to innovation. For innovation to occur; the entrepreneurs must not only have talent, ingenuity and knowledge but he must also be hardworking, focused and purposeful. Zealous entrepreneurs uphold the principle that "everything is possible" so long the individual is hardworking, creative, consistent, innovative, trustworthy, sincere, diligent and transparent. In support of the above, Njoku and Nwosu (2010) assert that an entrepreneur is a person who co-ordinates the other factors of production by assuming the associated risks and investing his resources in a business venture. He is a person who organizes and manages business and keeps it on going. In the same vein, Alugbuo (2013) posit that entrepreneurs are people with visions and ideas. They are creative and innovative.

### **Coronavirus (COVID-19)**

The concept 'Coronavirus' is an infectious disease that is popularly referred to as COVID-19 (Moore, 2020; Ohia, Bakarey, & Ahmad, 2020). The virus was first discovered in Wuhan, China which was spread globally. The virus can infect human beings and animals which causes different types of respiratory

sickness. The sign of the infection are running nose, sneezing, cough, fever, sore throat, breathing disorder, etc (Harapan et al., 2020; Ohia et al., 2020; Unhale et al., 2020). The disease is highly infectious (Shereen, Khan, Kazmi, Bashir, & Siddique, 2020). Many people that were infected with the virus experience respiratory disorder and do not require any treatment to recover. Mostly, the elderly and those with medical problems such as cardiovascular disease, diabetes, chronic respiratory disease, and cancer are developing severe sickness. Therefore, the only way to prevent and reduce the spread of the virus is to be well enlightened about the deadly virus, its sources, and how it spreads (WHO, 2020).

The major avenues through which individuals are contacted with the virus are from the droplets of saliva/discharge from the nose when an infected person coughs or sneezes (Harapan et al., 2020). Therefore, it becomes necessary for people to adopt measures such as lockdown, social distancing, quarantine, and also, observation of simple hygiene which include; washing hands regularly, wearing facemasks, coughing into the flexed elbow, etc (Ohia et al., 2020). Although there are still ongoing medical tests assessing possible treatment by many countries and international organizations like WHO. Until now there are no specific vaccines or treatments for the virus called COVID-19 (Shereen et al., 2020).

### **Theoretical Framework**

The study is anchored on Supply Shock and Demand Shock Theories. The study adopted supply shock and demand shock theories to verify if they are validated or not by the survey. A supply shock is an occurrence that abruptly raises or reduces the supply of a good, product or service. This swift change disturbs the equilibrium price of the good, product or service and the general price level of the entire economy. In the short run, an economy-wide negative supply shock will shift the aggregate supply curve leftward, decreasing the output and increasing the price level (Czech, 2013). In the short run, an economy-wide positive supply shock will shift the aggregate supply curve rightward, increasing output and decreasing the price level (Hall & Lieberman, 2012). A positive supply shock could be due to an advance in technology (a technology shock) which makes production more efficient, thus increasing output.

On the other hand, a demand shock is a sudden event that increases or decreases demand for goods or services temporarily. A positive demand shock raises aggregate demand (AD) while a negative demand shock shrinkages aggregate demand. In both cases prices of a commodity or a product and a service are affected. When the demand for good, product or

service increases the price level also increases due to a shift in demand curve to the right. On the other hand, when demand decreases, its price also decreases due to a shift in demand curve to the left. It should be noted that demand shocks can originate from changes in things such as tax rates, money supply, government spending and lockdown such as the covid-19 pandemic.

The justification for the application of these theories for this study is that covid-19 has affected both trade and production chains so it has reduced supply. Covid-19 has also increased unemployment and prices and the induced lockdown limited the movement of people so it has reduced demand for goods and services.

### **Empirical Review**

Several empirical studies were conducted by many researchers around the globe since the emergence of the pandemic called COVID-19, which has a devastating effect on the economy of many countries of the world. For instance, the study of Senol, Murat, Michael and Opusunju (2021) examined the effect of COVID-19 on survival of small-scale businesses among women entrepreneurs in Adamawa state. The study used survey research design using primary data and obtained data through administration of structured questionnaire (5 points likert scale) to women cooperative societies groups registered with the ministry of commerce and industry in Yola. Target population size is 480 women with a sample size of 218 which was determined using Taro Yamane formula. The study employed Cronbach's alpha to test the reliability of each construct. The study used regression to analyze the data collected from the respondents and econometric software were used to analyze the data. Findings revealed that there is negative and insignificant effect of COVID-19 on survival of small-scale businesses(innovation) among women entrepreneurs in Adamawa State of Nigeria. The study recommended that Government of Adamawa State of Nigeria should try to encourage women entrepreneurs since they are affected with COVID-19 and its policy implementation such as social distance and lock-down due to increase in the number of the death, increase in the tests and increase in the conformed cases of COVID-19.

Enesi and Ibrahim (2021) examined the effect of COVID-19 pandemic on the performance of Small-scale businesses business in Abuja and providing recommendations on how their businesses can improve and perform effectively during this falling economy and the numerous challenges caused by the pandemic. The study adopted a quantitative research technique using data collection method through the

administration of structured questionnaire and on 10 selected Small-scale businesses with 100 respondents in Municipal Area Council in Abuja which were selected purposively to elicit insights into the effect of COVID-19 pandemic on their businesses. Findings from the analysis indicated that the COVID-19 pandemic's effect includes: loss of competent staff resulting from reduction in staff salary, low revenue or income generation, lack of patronage, and lack of sincerity on the part of government to reduce the prevalence of the pandemic. The Small-scale businesses are often faced with problems such as: inability to pay salaries, repay loans and rent. Most respondent suggested that government should introduce a well monitored and structured palliative schemes, poverty alleviation programs, reduced interest rates, relax loans and defer tax payments. There are related variables that were not mentioned in this study. It is therefore necessary to consider them in future research work.

Ojiagu, Nzewi and Arachie (2020) evaluated the correlation between accountability and transparency on nation-building, using covid-19 experience as a yardstick. The study made use of survey research design. The population of the study consisted of 1174 employees of 5 ministries in Anambra State while the sample size determined using Taro Yamani formula was 298. Primary source of data collection was used which was questionnaire which was put through face and content validity to ascertain the validity of the study while Cronbach Alpha statistics for testing internal consistency of questionnaire was deployed and an average result obtained was 0.984. The analysis of data technique was Regression Analysis at 5% level of significance. It was revealed from the result that there is a statistically significant relationship existing between full disclosure and citizens improved trust and that there is a statistically significant relationship existing between impact reporting and citizens buy-in p-value < 0.05). The study concluded therefore that there would be no trust issues between the governed and government if full disclosure and impact reporting have been the hallmark all the while. Following this, it was recommended among other things that Anambra State Anti-corruption Strategy (ANSACS) needs to do all it can to encourage various government ministries and agencies to engage more in full disclosure and impact reporting in the state.

Chinedu, Dennis and Chikwuemeka (2020). determined the impact of covid-19 on the survival of Igbo owned businesses in Nigeria. The research adopted a survey research design. The population of the study was 50, while census method was adopted.

Source of data was questionnaire, which was tested for reliability using Split-Half technique and the value obtained was .863. The analysis was carried out using Regression Technique and a 5% level of significance was used in the hypothesis test. Findings indicated that there is a relationship between restriction of movement and business sustainability ( $r = .983$ ) and the coefficient of determination shows that a 96% change in the sustainability of Igbo owned businesses is explained by changes in restriction of movement. Nigerian government will by this study know how to encourage businesses to survive after a pandemic such as covid- 19. Also, small business will gain from this study in that they will know from the suggestions made, how to navigate through tough times in their businesses by embracing online platforms to import or supply products.

Aifuwa, Musa and Aifuwa (2020) examined the effect of Coronavirus pandemic outbreak on the performance of private businesses in Nigeria was by In their study, a survey research design was adopted due to the nature of the work. The population of the study were made up of private businesses and financial analyst in Nigeria. However, the main target of the work were online business staff in Lagos State. To knock down the size of the population, a sample size of three hundred and eighty-four (384) was used. The major source of data was primary source through a structured questionnaire. The copies of questionnaire so used were distributed via an online medium to the owners of private businesses and financial analysts of interest in Lagos State, Nigeria. The reliability of the questionnaire used in the study was ascertained using linear regression. The result emanating from the analysis done in the study indicated that COVID- 19 pandemic negatively affect both the financial and non-financial performance of private businesses in Lagos state in particular and Nigeria at large. Sequel to this, the study concluded that that COVID-19 pandemic harms firm performance in Nigeria and recommended among other things that the government should include private businesses in its stimulus packages or palliatives programmes as this will help in keeping the businesses operational and afloat during this trying period.

Mogaji (2020) examined the impact of covid-19 on transportation in Lagos, Nigeria. Using a survey through a questionnaire administered to residents of Lagos via email in data collection and used descriptive analysis in his report. The findings revealed that lockdown and restrictions on movement have a significant positive effect on SME's performance. The findings indicate that economic activities, social activities, and religious activities

during COVID-19 were affected by the disrupted transport services due to the pandemic. Additionally, the increased cost of transportation, shortage or lack of transportation mode, and traffic congestion were identified as the effect of COVID-19 on transportation in Lagos State, Nigeria, which also led to the increase in the overall cost of living in the city as well as an increase in the cost of food items.

Hamiza (2020) examined the impact of Coronavirus Lockdown on Small and Medium Scale Businesses in Arua Municipality, Uganda, findings of the study revealed that lockdown has a significant positive effect on Small-scale businesses performance in Arua Municipal of Uganda. In their contribution, Ozili and Arun (2020) revealed that the increasing number of lockdown days, monetary policy decisions, and international travel restrictions have a significant positive effect on SME's performance. Furthermore, the findings indicate that restriction on internal movement and higher fiscal policy spending did not have a positive effect on SME's performance.

Abideen (2020) provided an insight of the effect of COVID-19 pandemic on the performance of SME business and its survival in a research study in Nigeria. The result of the study revealed the significant negative relationship with the Small-scale businesses performance. Following the negative effect COVID-19 pandemic is posing to the business performance of Small-scale businesses in Nigeria, most of them are reducing staff strength in order to cope with the overhead expenses, revenue is decreasing and declining geometrically, defaults in the repayment of loans are also being recorded due to inadequate cash inflow. Ironically, most of the Small-scale businesses are reducing staff strength, revenue is decreasing geometrically, defaults in the repayment of loans are being recorded. There are many researches ongoing that are yet to unravel or explore the empirical performance of Small-scale businesses and more specifically on business owners in some part of Nigeria. It is on this premise that the author decided to examine the effect of COVID-19 pandemic on the performance of Small-scale businesses in Nigeria with specific emphasis on Small-scale businesses operating businesses in Abuja

## METHODOLOGY

Descriptive research design will be adopted. Descriptive statistics was applied because of its capability to summarize large quantities of data using understood measures in form of graphical and numerical techniques (Burns, 2000). This research approach was chosen because of its relevance to this p study, more particularly it could answer research questions in this study which described

behavior/attitudes. This study was carried out in Anambra State, Nigeria. The population of study comprised 7061 register small-scale businesses in Anambra. The size of a sample consists 378 using statistical formula devised by Taro Yamane (1964). The researcher makes use of primary sources of data. Data obtained from primary sources include historical documents, literary texts, experiments, surveys, observations, interviews, focus groups and panels of respondents specifically set up. The researcher adopts structured questionnaires. The questionnaires will contain both open-ended and closed-ended questions. Content Validity of instrument was adopted. The researcher used test-retest and Cronbach's alpha was used to verify the internal consistency of each construct in order to achieve reliability of instrument. Descriptive statistics such as mean and standard deviation was used to present quantitative data in form of tables. Data from questionnaire was coded and entered into the computer using Statistical Package for Social Science (SPSS Version 21) for analysis. It gave means, standard deviations and correlations of each independent and dependent variable COVID 19 pandemic and the survival of small-scale businesses in Nigeria was regressed

against the five independent variables using the regression model. The study also employed Multiple Regression Analysis (MRA) method to evaluate the effect of COVID 19 pandemic and the survival of small-scale businesses in South- East, Nigeria.

## **ANALYSES AND INTERPRETATION OF DATA**

A total of three hundred and seventy- eight copies of questionnaire were distributed to the respondents. Three hundred and seventy of questionnaires were returned. Out of three hundred seventy copies of return questionnaires three hundred and fifty copies of questionnaire were returned properly filled and found relevant to the study. Twenty copies of questionnaire were not properly filled and eight get missing. Therefore, the analysis was based on three hundred and fifty copies of questionnaire copies (350) properly filled copies.

### **Presentation of Data relevant to the Research Questions**

**Research Question One:** To what extent does the challenges faced by small business during the covid-19 pandemic affect the survival of small-scale businesses in Anambra State, Nigeria

**Table 1: Respondents opinion on the challenges faced by small business during the covid-19 pandemic**

S/N	ITEMS	SA	A	U	D	SD	Mean
1	Low supply during the covid-19 pandemic	101 28.9%	126 36.0%	59 8.3%	46 13.1%	18 5.1%	3.74
2	Low level of digitalization and difficulties in accessing technologies	129 36.9%	130 37.1%	61 17.4%	32 9.1%	8 2.3%	4.00
3	COVID-19 significantly decreased the demand for small-scale businesses products	134 38.3%	147 40.9%	41 11.7%	11 3.1%	17 4.9%	4.05
4	Low sales of small-scale businesses products	120 34.3%	143 48.3%	32 9.1%	22 6.3%	33 9.4%	3.86
5	Lack of customer patronage of small-scale businesses products	127 36.3%	149 42.6%	43 12.3%	20 5.7%	11 3.1%	4.10

**Source: Researcher's Field Survey, 2022**

Table 1 presents the challenges faced by small business during the covid-19 pandemic on the survival of small-scale businesses. Regarding the issue bordering on low supply during the covid-19 pandemic, 101(28.39%) of the total sample strongly agreed, 126 (36.0%) agreed, 46(13.1%) disagreed, 18(5.1%) strongly disagreed and 59 (14.8%) were undecided with a mean of 3.74. On whether low level of digitalization and difficulties in accessing technologies,129 (36.9%) respondents strongly agreed and130 (37.4%) agreed. On the other hand, 32(9.1%) respondents disagreed, 8(2.3%) strongly agreed and 61 (17.4%) undecided with a mean of 4.00.

Table 1 questions on whether COVID-19 significantly decreased the demand for small-scale businesses products, 134 (38.3%) respondents strongly agreed and 147(40.9%) agreed. Conversely, 11(3.1%) disagreed, 17(4.9%) strongly disagreed and 41 (11.7%) were undecided with a mean of 4.05. Question on whether Low sales of small-scale businesses products, 120(34.3%) respondents strongly agreed and143 (48.3) agreed. On the other hand, 22(6.3%) disagreed,33 (9.4%) strongly disagreed and 32 (9.1%) were undecided with a mean of 3.86. The result on Table 4.7.1 indicates that 127(36.3%) respondents strongly agreed lack of customer patronage of small-scale businesses products, 149 (42.6%) disagreed, 20 (7%) 11 strongly disagreed and 43 (12.3%) were undecided with a mean of 4.10. Using a cutoff point of 2.50 for the rating scale, all the items had mean scores above the cutoff point. This implies that the challenges faced by small business during the covid-19 pandemic has significant effect on survival of small-scale businesses in Anambra State, Nigeria

**Research Question Two:** To what degree does lockdown affect the survival of small-scale businesses during Covid -19 pandemic in Anambra State, Nigeria

**Table 2: Respondents opinion on the effect of lockdown on the survival of small-scale businesses during Covid -19 pandemic**

S/N	ITEMS	SA	A	U	D	SD	Mean
1	Lack down decrease effective sales of small-scale businesses	101 28.9%	126 36.0%	59 8.3%	46 13.1%	18 5.1%	3.74
2	Lock down decrease customers' patronage of small-scale businesses	129 36.9%	130 37.1%	61 17.4%	32 9.1%	8 2.3%	4.00
3	Small-scale businesses often have limited number of suppliers	134 38.3%	147 40.9%	41 11.7%	11 3.1%	17 4.9%	4.05
4	Lock down cost small-scale businesses stock out	120 34.3%	143 48.3%	32 9.1%	22 6.3%	33 9.4%	3.86
5	Lock down crippled economies and businesses of small-scale businesses	127 36.3%	149 42.6%	43 12.3%	20 5.7%	11 3.1%	4.10

**Source: Researcher's Field Survey, 2023**

Table 2 presents the effect of effect of pay policy on employee satisfaction. Regarding the issue bordering on lack down decrease effective sales of small-scale businesses, 101(28.39%) of the total sample strongly agreed, 126 (36.0%) agreed, 46(13.1%) disagreed, 18(5.1%) strongly disagreed and 59 (14.8%) were undecided with a mean of 3.74. On whether Lock down decrease customers' patronage of small-scale businesses 129 (36.9%) respondents strongly agreed and 130 (37.4%) agreed. On the other hand, 32(9.1%) respondents disagreed, 8(2.3%) strongly agreed and 61 (17.4%) undecided with a mean of 4.00.

Table 2 questions on whether Small-scale businesses often have limited number of suppliers, 134 (38.3%) respondents strongly agreed and 147(40.9%) agreed. Conversely, 11(3.1%) disagreed, 17(4.9%) strongly disagreed and 41 (11.7%) were undecided with a mean of 4.05. Question on whether lock down cost small-scale businesses stock out, 120(34.3%) respondents strongly agreed and 143 (48.3) agreed. On the other hand, 22(6.3%) disagreed, 33 (9.4%) strongly disagreed and 32 (9.1%) were undecided with a mean of 3.86. The result on Table 4.3.2 indicates that 127(36.3%) respondents strongly agreed that lock down crippled economies and businesses of small-scale businesses, 149 (42.6%) disagreed, 20 (7%) 11 strongly disagreed and 43 (12.3%) were undecided with a mean of 4.10. Using a cutoff point of 2.50 for the rating scale, all the items had mean scores above the cutoff point. This implies that lockdown has significant effect on the survival of small-scale businesses during Covid -19 pandemic in Anambra state

**Research Question Three:** To what extent does strategies taken by Anambra State affect the survival of small-scale businesses in Anambra State, Nigeria

**Table 3: Respondents opinion on the Strategies taken by Anambra State on survival of small-scale businesses**

S/N	ITEMS	SA	A	U	D	SD	Mean
1	Online retailing strategies on survival of small-scale businesses	127 36.3%	149 42.6%	43 12.3%	20 5.7%	11 3.1%	4.10
2	Online payment platforms strategies affect survival of small-scale businesses	122 34.9%	104 46.3%	78 22.3%	22 6.3%	24 6.9%	3.82
3	Pickup and delivery (logistics) services strategies on survival of small-scale businesses	99 28.3%	162 53.0%	48 13.7%	23 6.6%	18 5.1%	3.88
4	E-commerce marketplace strategies affect survival of small-scale businesses	92 26.3%	126 36.0%	42 12.0%	52 14.9%	38 10.9%	3.38
5	Taxi/Cab Services Strategies affect survival of small-scale businesses	85 24.3%	158 45.1%	57 16.3%	39 11.1%	11 3.1%	3.69

**Source: Researcher's Field Survey, 2023**

The result on Table 3 indicates that 127(36.3%) respondents strongly agreed that online retailing strategies affect survival of small-scale businesses, 149(42.6%) agreed, 20(5.7%) disagreed, 11(3.1%) strongly disagreed and 43 (12.3%) were undecided with a mean of 4.10. On whether online payment platforms strategies affect survival of small-scale businesses 122(34.9%) respondents strongly agreed, 104(46.3%) agreed, 22(6.3%) disagreed, 24(6.9%) strongly disagreed and 78 (22.3%) were undecided with a mean of 3.82. The table also revealed that 99 (28.3%) respondents strongly agreed that pickup and delivery (logistics) services strategies on survival of

small-scale businesses, 162(53.0%) agreed, 23(6.6%) disagreed, 18(5.1%) strongly disagreed and 48 (13.7%) were undecided. Table reveals that 92(26.3%) respondents strongly agreed that e-commerce marketplace strategies affect survival of small-scale businesses, 126(36.0%) agreed, 52(14.9%) disagreed, 38(10.9%) strongly disagreed and 42 (18%) were undecided. Table 3 also reveals that taxi/cab services strategies affect survival of small-scale businesses, 85(24.3%) respondents strongly agreed and 158(45.1) agreed. However, 39(11.1%) disagreed, 11(3.1%) strongly disagreed while 57 (19.3% were undecided with a mean of 3.69. With a cutoff mean score of 2.50 for the rating scale, all the items had mean scores above the cutoff point. This implies that Strategies taken by Anambra State has significant effect on the survival of small-scale businesses.

### Multiple Regression Analysis

Multiple regression result was employed to test the effect of independent or explanatory variables on the dependent variables. The result of the multiple regression analysis is presented in the tables below.

**Table 4 Summary of the Regression Result**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.294 <sup>a</sup>	.686	.572	3.185	.086	6.151	5	326	.000	1.875

a. Predictors: (Constant), Challenges SSB, Lockdown, Strategies taken for the Survival SSB, Market Closure, Movement Restriction

b. Dependent Variable: Survival of Small-Scale Businesses

Table 4. shows that  $R^2$  which measures the strength of the effect of independent variable on the dependent variable have the value of 0.686. This implies that 69% of the variation in Survival of Small-Scale Businesses is explained by variations in challenges and strategies variables (Challenges SSB, Lockdown, Strategies taken for the Survival SSB, Market Closure, Movement Restriction). This was supported by adjusted  $R^2$  of 0.572. In order to check for autocorrelation in the model, Durbin-Watson statistics was employed. Durbin-Watson statistics of 1.875 in table 4.4 shows that the variables in the model are not auto correlated and that the model is reliable for predictions.

**Table 5 Analysis of Variance**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	312.052	5	62.410	6.151	.000 <sup>b</sup>
	Residual	3307.502	322	10.146		
	Total	3619.554	327			

a. Dependent Variable: Survival of Small-Scale Businesses

b. Predictors: (Constant), Challenges SSB, Lockdown, Strategies taken for the Survival SSB,

**Source: SPSS 21.0**

The f-statistics value of 6.151 in table 5 with f-statistics probability of 0.000 shows that the independent variables has significant effect on dependent. This shows that challenges SSB, lockdown, strategies taken for the survival SSB, market closure, and movement restriction can collectively explain the variations in Survival of Small-Scale Businesses in Anambra State.

### Test of Hypotheses

Here, the five hypotheses formulated in this study were tested using t-statistics and significance value of the individual variables in the regression result. The essence of this is to ascertain how significant are the effect of individual independent or explanatory variables on the dependent variables. The summary of the result is presented in the table below.

**Table 6 T-Statistics and Probability Value from the Regression Result**

Model	Unstandardized Coefficients		Standardized Coefficients Beta	T	Sig.
	B	Std. Error			
(Constant)	18.916	1.918		9.863	.000
Challenges SSB	.123	.043	.158	2.870	.000
Lockdown	.085	.044	.202	-2.923	.005
Strategies taken for the Survival SSB	.171	.044	.209	1.901	.176

a. Dependent Variable: Survival of Small-Scale Businesses

**Source: SPSS 21.0**

## Hypothesis One

**Ho:** Challenges faced by small-scale businesses during the covid-19 pandemic has on positive significant effect on the survival of small-scale businesses in Anambra state

In testing this hypothesis, the t-statistics and probability value in table 4.7 is used. Challenges faced by small-scale businesses during the covid-19 pandemic has a t-statistics of 2.870 and a probability value of 0.000 which is statistically significant. Therefore, we reject the null hypothesis and accept the alternative hypotheses which state that challenges faced by small-scale businesses during the covid-19 pandemic has a positive significant effect on the survival of small-scale businesses in Anambra state

## Hypothesis Two

**Ho:** Lockdown on the revenue of small-scale businesses during Covid -19 pandemic has no positive significant effect on the survival of small-scale businesses in Anambra state.

Lockdown has a t-statistics of -2.923 and a probability value of 0.000 which is statistically insignificant. Therefore, we accept the null hypothesis and reject the alternative hypotheses which lockdown on the revenue of small-scale businesses during Covid -19 pandemic has a negative significant effect on the survival of small-scale businesses in Anambra state.

## Hypothesis Three

**Ho:** Strategies taken for the survival of small-scale businesses during Covid -19 pandemic has on positive significant effect on the survival of small-scale businesses in Anambra State,

Strategies taken for the survival of small-scale businesses during Covid -19 pandemic has a t-statistics of 1.901 and a probability value of 0.176 which is statistically insignificant. Therefore, we reject the alternative hypotheses and accept the null hypothesis which states that strategies taken for the survival of small-scale businesses during Covid -19 pandemic has on positive significant effect on the survival of small-scale businesses in Anambra State.

## Conclusion

This study analyzes the effect of survival of small-scale businesses during Covid -19 pandemic in Anambra State, Nigeria. This study employed recent collected representative data from Nigeria to document the ways in which the COVID-19 pandemic has been affecting Small and Medium Scale Enterprise in Nigeria. The investigation responds to the research questions on how the pandemic has affected the small-scale businesses and what are the factors that influence the coping strategies of the small-scale businesses. From the

analysis the estimation results show that challenges faced by small-scale businesses during the covid-19 pandemic has a positive significant effect on the survival of small-scale businesses; lockdown on the revenue of small-scale businesses during Covid -19 pandemic has a negative significant effect on the survival of small-scale businesses and strategies taken for the survival of small-scale businesses during Covid -19 pandemic has on positive significant effect on the survival of small-scale businesses in Anambra State. Therefore, the study concluded that Covid -19 survival strategies has on positive significant effect on small-scale businesses in Anambra State.

## Recommendations

1. The Anambra State government should drastically reduce the costs of governance and operation and provide strategies for accessing grants and loans from international community in order to enhance SMEs in the state
2. That the government should provide financial supports for the diversification of various aspects of small and medium enterprises (SMEs) such as: agriculture, manufacturing, beauty/cosmetics etc. in order to be responsive to the impact of COVID-19 in the country.
3. The government should provide technological equipment for effectiveness and efficiency of small and medium enterprises (SMEs) especially by promoting digital economy through delivery and payment system. More importantly, the focus should be on integration of the digitization into business operations in order to explore the emerging business opportunities in the country.

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